

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION  
**NET OPERATING LOSS (NOL) DEDUCTION**

**SEQUENCE # 7**

For the CALENDAR year **2000** or other tax period beginning \_\_\_\_\_ and ending \_\_\_\_\_  
Mo Day Year Mo Day Year

NAME	FEDERAL EMPLOYER IDENTIFICATION NUMBER or SOCIAL SECURITY NUMBER
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<b>WHEN TO USE THIS FORM</b>	Use this form to detail the Net Operating Loss Carryforward amounts which comprise the current tax period net operating loss deduction taken on Form NH-1040, NH-1041, NH-1065 or NH-1120. This form must be attached to the NH tax return in the year the NOL deduction is claimed.
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<b>(A)</b> Ending date of tax period in which NOL occurred.	<b>(B)</b> NOL amount available for five year carryforward. This amount cannot exceed \$250,000 per tax period.	<b>(C)</b> Amount of NOL carryforward which has been used in tax periods prior to this tax period.	<b>(D)</b> Amount of NOL to be used as a deduction in this tax period.	<b>(E)</b> Amount of NOL to carryforward to future period.											
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6 Amount of NOL carryforward deducted this tax year.  
(Sum of column D, lines 1-5) ..... 6 

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This is the amount to be reported on the applicable Business Profits Tax return. This amount cannot exceed the NH Adjusted Gross Business Profits before the Net Operating Loss Deduction.

**NOTE:** Column (B) less Column (C) should equal the sum of Column (D) plus Column (E).

**IMPORTANT**

<b>Rev 303.03(a)</b>	A NH Net Operating Loss may be carried forward for five years following the loss year provided, however, that no loss amounts incurred prior to January 1, 1989 shall be used to calculate the NOL deduction.
<b>Rev 303.03(b)</b>	<p>Carryback Of Loss Required. For purposes of calculating the amount of any net operating loss deduction allowed under RSA 77-A:4, XIII, section 172 of the Internal Revenue Code in effect on December 31, 1996 shall be followed, except that:</p> <p>(1) Any loss amount shall first be carried back to those tax years required by the Internal Revenue Code without application of the election in section 172(b) (3) and applied to any income in the carryback tax years, before any remaining loss is carried forward as a net operating loss deduction.</p> <p>(2) The carryback of losses as provided in (1) above shall result in neither an allowable net operating loss deduction in the carryback years nor a refund of previously paid taxes. Amended returns filed for such purposes shall be prohibited.</p> <p>(3) The business organization's failure to carry back net operating losses and apply them to the income of prior profitable years shall result in the loss being presumed to be fully absorbed in the carryback year(s).</p>
<b>Rev 303.03(c)</b>	The Net Operating Loss carryforward shall be apportioned pursuant to RSA 77-A:3, RSA 77-A:4, and Rev 303.03(c).